VZCZCXRO1652 OO RUEHBI RUEHCI RUEHDBU RUEHLH RUEHPW DE RUEHEK #0909/01 1940944 ZNY CCCCC ZZH O 130944Z JUL 07 FM AMEMBASSY BISHKEK TO RUEHC/SECSTATE WASHDC IMMEDIATE 9931 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUCNCIS/CIS COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 2225 RHEFDIA/DIA WASHDC RUEKJCS/OSD WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RUEHGV/USMISSION GENEVA 0661 RUEHVEN/USMISSION USOSCE 2630 RUCNDT/USMISSION USUN NEW YORK 2009 RUEHNO/USMISSION USNATO BRUSSELS BE RUEHBS/USEU BRUSSELS RUEHLMC/MILLENNIUM CHALLENGE CORP RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL

C O N F I D E N T I A L SECTION 01 OF 05 BISHKEK 000909

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DEPT FOR SCA/CEN

E.O. 12958: DECL: 07/13/2017

TAGS: PGOV PREL MARR KG

SUBJECT: ENGAGING THE KYRGYZ ON MANAS AIR BASE

REF: A. BISHKEK 894 **1**B. STATE 93188 ¶C. BISHKEK 816

1D. BISHKEK 544

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Classified By: CDA Lee Litzenberger, Reasons 1.4 (b) and (d).

- 11. (C) Summary: On June 22, the Kyrgyz government proposed changes to the July 2006 Protocol of Intentions covering payment for access to, and use of, Manas Air Base. The Kyrgyz proposal includes a request for \$18 million for upgrades to their air traffic control system at Manas, as well as a request that the U.S. continue to provide over \$150 million in assistance and compensation each year to the Kyrgyz government (Ref C). On July 10, per Ref B instructions, we responded by diplomatic note to the Kyrgyz government that while the Protocol set the annual terms and compensation for a period of five years, we were prepared to discuss issues concerning the operation of the base under the Protocol (Ref A). The Kyrgyz have not/not proposed any changes to the status of U.S. servicemen at the base. Some of the Kyrgyz proposals are clear non-starters, but in post's view addressing certain of the Kyrgyz proposals could result in tangible benefits to the base. For example, many of the issues raised by the Kyrgyz were under discussion during last year's base negotiations, but were left unresolved. post's judgment, the U.S. would likely be able to address many of the Kyrgyz concerns without opening anything resembling formal negotiations. The Kyrgyz are looking to us for the next steps in the process to begin face-to-face discussions.
- $\underline{\P}2$ . (C) Upcoming events, such as the August 16 Shanghai Cooperation Organization (SCO) summit in Bishkek, the expected conclusion of the U.S. investigation into the shooting incident, and parliamentary hearings on the base scheduled for September, will contribute to existing public and political pressure against the base. In post's judgment, the base will continue to remain controversial, as Kyrgyz

politicians look ahead to parliamentary and presidential elections in 2010. Kyrgyz officials, focused on the more immediate events, have indicated to us that the government wants to demonstrate engagement on base issues prior to the SCO summit in order to relieve some of this pressure. A meeting of "experts" from both sides (or even the announcement of a meeting) would be a useful step, and the experts could resolve some of the easier issues. While there has been little U.S. receptiveness in the past to Kyrgyz requests for air navigation equipment, radar refurbishment would result in benefits to base operations and might be a reasonable investment given the U.S.'s continuing projects to upgrade base facilities. If support could be found for moving forward on air navigation equipment, the U.S. would derive the most benefit and credit by agreeing to do so quickly, preferably before the August SCO summit, but in any event prior to parliamentary hearings in September. End Summary.

## Kyrgyz Proposals to Change Protocol

13. (C) On June 22, the Kyrgyz government presented a draft protocol on proposed changes to the July 2006 Protocol of Intentions covering access to, and use of, Manas Air Base. The July 2006 Protocol of Intentions provides \$17.4 million each year directly to the Kyrgyz government for access to "facilities/real estate" associated with the base, and clearly states that the U.S. may renew the agreement at one-year intervals for a total of five years, without reconsideration of the terms or payment amount. While Kyrgyz officials, including President Bakiyev, have reaffirmed their commitment to the continued presence of the base to support operations in Afghanistan, they have also told senior U.S. officials that they want to increase compensation for

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ecological damage and long-term wear and tear on their facilities and equipment.

14. (C) The Kyrgyz likely believe that they can bring the U.S. into discussions now because of changed circumstances and increased public and governmental dissatisfaction with the base following a series of incidents in fall 2006 (the still unexplained disappearance of Major Metzger; the collision of a U.S. KC-135 with a Kyrgyz passenger airliner; and the shooting death of a Kyrgyz citizen by a base airman). In addition, there are persistent public perceptions widely echoed in the media that fuel dumping from base aircraft is causing ecological damage. The Kyrgyz are looking to capitalize on these concerns by seeking increased compensation and revision of certain terms of the protocol. On the plus side, they have not requested an increase in direct payments to the government. Nor have they sought a change in the legal status of U.S. servicemembers, despite repeated calls by parliament to do so.

## Proposal Details

- 15. (C) Some of the Kyrgyz proposals are non-starters, but we think there is room for discussion on other issues, and that engagement with the Kyrgyz in and of itself would be beneficial to U.S. interests. Addressing certain of the Kyrgyz concerns could also produce tangible benefits to the U.S. and the base. From our conversations with Kyrgyz officials, we believe the serious issues are the request for air navigation equipment, a willingness to address ecological damage, and a system for reimbursement for future damages.
- $\P6.$  (C) The Kyrgyz have proposed the following specific changes to the July 2006 protocol:
- --A request for payment of \$18 million in installments during 2007 for renovation of air navigation equipment at Manas airport. The Kyrgyz have been asking for support in

replacing their dilapidated air traffic control radar since the base opened. A new radar would create a safer operating environment for both military and civilian air traffic, but the cost to refurbish or replace the equipment is substantial (from \$10-20 million, depending on the source of the equipment) and has never gained support from the U.S. side. However, the USG continues to invest substantial amounts in Manas Air Base, including new dormitories for 2000 personnel and a new hospital; we understand there is also a proposal under consideration for building a \$30 million "strategic ramp" expansion. In light of our continued major capital investment in the base, support for a new radar offers the U.S. an opportunity to demonstrate our willingness to make airport operations safer, and to do so in a manner that would have significant positive impact on public opinion. Announcing this prior to the SCO summit would, we believe, maximize the goodwill that such a gesture would generate. would also send a signal to SCO participants -- including Russia, China, and Iran -- that the U.S. will support its interests in the region.

--A request for payment of an additional \$98.6 million in 2007 and a commitment to provide \$150 million annually in overall assistance and compensation to the Kyrgyz government. The \$150 million figure comes from the Joint Statement issued at the signing of the July 2006 Protocol, which said that the U.S. "expects" to provide over \$150 million in total assistance and compensation over the next year. The figure represented an estimate of the value of airbase compensation and all U.S. assistance programs in Kyrgyzstan, but the Kyrgyz continue to (mis)interpret the sum as representing a specific appropriation. The embassy has provided the Kyrgyz government with detailed break downs of our FY07 programs (which at present total some \$147 million). A preliminary estimate for FY08 programs yields a similar total, but future

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assistance levels depend on Congressional appropriations and other variables, and we should make clear to the Kyrgyz that we cannot commit to specific future assistance levels. The request for an additional \$98.6 million this year is a red herring; it is based on inaccurate Kyrgyz estimates that we have provided \$51.4 million to date, and \$98.6 remains to reach our \$150 million commitment.

--A request for payment of damages for ecological harm. Since its establishment in 2001, the airbase has had almost no interaction with the Kyrgyz on ecology issues. While the headline issue is alleged damages associated with fuel jettisoning, there are also concerns about the ecological impact of the base itself. A number of steps could be taken by the airbase to show its willingness to discuss environmental practices, and this could go a long way to placate the Kyrgyz. The establishment of a joint committee on ecological issues to discuss issues of concern, creation of an airbase environmental liaison officer position, regular meetings with Kyrgyz environmental officials, and periodic walk-throughs of the facilities would require minimal effort, but would demonstrate U.S. willingness to engage on this sensitive issue.

--A request for payment of 60,000 soms (approximately \$1575) per ton for jettisoning aviation fuel (a jettison of 40 tons would be approximately \$63,000). Kyrgyz concerns over fuel dumping have persisted, and despite the fact that no dumping has occurred since September 2005, area farmers continue to claim damage to their crops from the practice. Providing detailed information to Kyrgyz officials would be an important first step in allaying concerns. U.S. fuel jettisoning experts can and have addressed the technical details of this procedure, and base officials can emphasize the rarity of this event and the use of the procedure only when lives are at risk. If anyone is going to convince farmers in the region that poor crop performance is not due to fuel dumping, it will be Kyrgyz environmental representatives, not U.S. officials. But we need to make our

case to the Kyrgyz officials in order to persuade them on the fuel dumping issue. The airbase potentially has a lot to gain by developing and working these relationships.

- --A request for payment of damages to Kyrgyz individuals and legal entities. While clarification is needed, this proposed change on reimbursement to legal entities and individuals of the Kyrgyz Republic does not appear to change the existing language on state-to-state and third-party incidents included in the 2001 base agreement. It is possible that this proposal reflects that the Kyrgyz were working off the 2006 protocol, and did not take into account the language in the 2001 agreement.
- --A request that determination of damages be made by a joint commission. The U.S. side already has legal procedures in place to determine damages in the event of a claim. While we would favor activating the proposed joint commission to address sensitive issues related to the base, including in the event of further incidents involving damage claims, the commission should not have specific authority to assess damages. Rather, the joint commission should focus on issues such as coordinating responses to future incidents, and on improving procedures for flight safety, security, and even environmental practices.
- --A request to provide information on base contractors and subcontractors. The U.S. has never provided the Kyrgyz with a list of contracts associated with the airbase, despite being prepared to do so on a number of occasions. Post understands that the USG is permitted to release this type of information upon request by the host nation. The Kyrgyz have asked for information on contracts -- names of the firms under contract and value of the contracts -- in a number of different forums over an extended period of time. There had

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been a concern regarding Kyrgyz intentions on taxation of these entities in the past, but in our view this is not a reason under the current circumstances not to move forward and provide the requested information that we are legally allowed to release.

- --A request to add "air navigation equipment" to the definition of "facilities/real estate." While we see no downside to this proposal, provided we make clear that it would in no way obligate the base to pay air navigation fees for military aircraft, we also see no need for this change either.
- --A request that annual renewal of the 2007 protocol be contingent upon Kyrgyz as well as U.S. consent. The current protocol is renewable annually by the U.S. side until 2012. The 2001 agreement allows either party to withdraw from the agreement with six months' notice. We see no reason to change these arrangements.

"Negotiations" or Implementation of Existing Agreements?

17. (C) Several Kyrgyz officials have stressed to U.S. representatives the importance of at least beginning bilateral discussions as soon as possible, hinting that the Kyrgyz would like to demonstrate that engagement is underway before the SCO summit on August 16. On the U.S. side, there may be a reluctance to engage with the Kyrgyz on some of these issues, especially because the Kyrgyz have reiterated (and continue to do so) their strategic commitment to the presence of the base. However, not responding -- in some fashion -- to Kyrgyz concerns does not serve U.S. interests. Three upcoming events will focus increased negative attention on the base. First, the August 16 SCO summit in Bishkek will bring renewed pressure, particularly from the Russians, on the Kyrgyz to show that they are in control of the situation with the base. Second, the release later this summer or early fall of the results of the U.S. investigation into the

December 2006 shooting of a Kyrgyz citizen by an airman, and the decision whether or not take disciplinary action against the airman, will likely generate a firestorm of controversy in the media and in parliament. Third, parliamentary hearings on the base, scheduled to take place in early September, will concentrate on problems connected to the base and can be expected to contribute to the widespread public sentiment against the base. Looking beyond these immediate events, the base will continue to be a lightning rod, and can be expected to become an election issue as Kyrgyzstan heads into parliamentary and presidential elections in 2010.

18. (C) In our view, the U.S. would very likely be able to address many of the Kyrgyz concerns without commencing anything that would resemble formal negotiations or re-opening the Protocol of Intentions. Several of the Kyrgyz proposals should not be difficult to address, and in some cases coming together on the issues presents a benefit to the U.S. For example, the U.S. currently has a nearly non-existent relationship with Kyrgyz environmental administrations. We believe that the Kyrgyz are not looking for a large, formal commencement of negotiations as occurred last year. The Embassy and airbase representatives can address a number of the issues. A small team of experts from OSD could kick off discussions, address some of the issues, and provide a framework for continued implementation of existing agreements. These discussions could be considered an activation of the proposed "joint commission."

Next Steps

 $\P 9$ . (C) As a way forward, the embassy offers the following steps that we could take:

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--agreeing to a meeting of experts to address base issues; this could be accomplished through the proposed joint commission, and could include representation from OSD. The U.S. side should have sufficient decision-making authority to resolve those issues we are prepared to discuss;

--accomplishing a pragmatic assessment of the Kyrgyz request for air navigation equipment, i.e. a radar for Manas airport, in light of continued U.S. investment in the infrastructure of the air base. If not this, then assess what can be done to increase support and attention to Kyrgyz Air Navigation (KAN), an organization that is vital to U.S. operations and flight safety.

The timing of these steps will directly affect the degree to which they will help the GOKG deflect pressure from Kyrgyzstan's neighbors, the parliament, the media and the public to restrict coalition operations from Manas air base.

LITZENBERGER